

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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In the Matter of)	
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Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
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Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Consumer Cellular Petition for Forbearance)	
Revised Compliance Plan)	
)	
Amended Petition of Consumer Cellular for)	
Limited Designation as an Eligible)	
Telecommunications Carrier for Purposes of)	
<u>Receiving Low Income Support Only</u>)	

CONSUMER CELLULAR REVISED COMPLIANCE PLAN

CONSUMER CELLULAR, INC.

Jonathan D. Lee
J.D. Lee Consulting, LLC
1776 I Street, N.W.
Suite 900
Washington, DC 20006
(202) 257-8435

Its Attorney

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SUMMARY

Consumer Cellular submits this Revised Compliance Plan to explain how it will comply with the obligations placed on Lifeline-only ETCs in the Commission's recent Order reforming its rules for participants in the Universal Service Fund's Lifeline program. This Revised Compliance Plan is intended to replace Consumer Cellular's existing Compliance Plan, which it filed in August of 2010 to comply with the conditions the FCC imposed when it granted CCI's Petition for forbearance from the facilities-based requirements of the Act, and the Commission's associated rules. Additionally, because this Revised Compliance Plan explains how CCI will meet all of the current obligations required of Lifeline-only ETCs, Consumer Cellular requests that the Commission use this Revised Compliance Plan as the basis for granting its Amended Petition for Limited ETC Designation for , as amended, for the states of Alabama, Delaware, Connecticut, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia.

Based in Portland, Oregon, Consumer Cellular has been continuously operated by its founders since it began providing service in 1995. CCI serves more than 750,000 wireless customers in the "lower 48" states, using the AT&T Mobility network. Consumer Cellular been recognized nationally for its superior customer service, including being named the best *overall* wireless service provider, as gauged by customer satisfaction, by *Consumer Reports* in its January 2012 edition. Consumer Cellular takes special pride in its unique efforts to best serve America's seniors and is the exclusive wireless provider for AARP members. Consumer Cellular believes in treating all customers fairly, and making sure each consumer gets the best service for their needs.

To this end, Consumer Cellular provides a uniquely valuable service by not requiring customers to enter into service contracts, but still allows its customers to affordably use as much or as little wireless service as they wish each month, on a *postpaid* basis. CCI customers can change their service plan at no charge any time prior to the close of a monthly billing cycle. To help its customers make better use of this feature, in 2010 Consumer Cellular became one of the first service providers to send usage alerts to customers who were approaching their allotted airtime before the close of a billing cycle.

Consumer Cellular has long understood that an important reason consumers purchase wireless service is to be able to make a call from anywhere in an emergency. Accordingly, as it has committed in its existing Compliance Plan, Consumer Cellular will provide its Lifeline customers with the same access to emergency calling (which is not assessed against service plans) and 911/E911 capable handsets (all handsets in CCI's inventory) that it currently provides to its existing customers.

Consumer Cellular will make all of its current service plans (with the exception of its *Anywhere Casual* emergency plan) available to its Lifeline customers. Qualifying Lifeline customers will be able to choose among all of Consumer Cellular's positive minute plans, which include a variety of voice, text, and data plans. The Lifeline price is the normal retail plan price, less \$10.00 (the \$9.25 Lifeline reimbursement rounded up to the nearest dollar). Like all Consumer Cellular retail customers, Lifeline customers must pay a \$35 activation fee when purchasing a new handset.

Consumer Cellular will explain in further detail in this Revised Compliance Plan how it will comply with remainder of the Commission's rule changes. Of all the

Commission's recently-adopted rule changes, the one that merits the most discussion in this Revised Compliance Plan is how Consumer Cellular plans to implement its process for enrolling Lifeline customers.

CCI has focused the most extensive discussion in this Revised Compliance Plan on its planned procedures for qualifying, and enrolling eligible customers, because, as an existing provider of non-Lifeline services, Consumer Cellular must develop entirely new processes for qualifying Lifeline-eligible customers—ensuring that applicants are not receiving duplicative subsidies per household, and that prospective Lifeline customers are qualified as eligible to receive service under the program. Consumer Cellular also explains that, going forward, prospective customers will be divided into those customers who must work cooperatively with CCI to establish their eligibility, and those customers who can only be qualified by a state Lifeline administrator. Consumer Cellular will discuss each situation in further detail in this Revised Compliance Plan.

A critical part of Consumer Cellular's plans to ensure that only qualifying customers receive Lifeline service is to give prospective customers all the information with which the Commission has required to be on the customer certification form (attached as Attachment A to this document). CCI has prepared a comprehensive, proposed customer certification form so that most customers who will not qualify for service can make this determination on their own (or with CCI's assistance) by using CCI's form in conjunction with its existing databases, access to the information of its credit verification agencies, and its access to state and federal eligibility databases.

Consumer Cellular has given a great deal of thought to how it will comply with the Commission's new rules regarding not only new customer enrollment procedures, but

also how it will implement the other aspects of the new obligations imposed on Lifeline-only customers in the Commission's Order and new rules. For many of the Commission's other "new" obligations, Consumer Cellular will be able to easily incorporate the obligations of these rules into its existing processes.

Specifically, CCI believes it can completely address the Commission's new rules requiring carriers to re-certify Lifeline customers, de-enroll customers that become ineligible to receive support, and keep accurate records by integrating these requirements/information fields into its existing systems. As a postpaid provider, Consumer Cellular is already well-situated to comply with these requirements, but simply maintaining a direct billing relationship with the customer is not the only indicia of CCI's ability to comply with the Commission's new rules to ensure that the Lifeline program is administered prudently.

The systems necessary to provide an easy and customer-friendly service experience are actually quite sophisticated. So, the processes required to provide service in the way that *Consumer Cellular provides service*—sending monthly usage alert texts, accepting plan change requests, rendering a bill, and accepting payment—ensure that Consumer Cellular has frequent, direct contact with its customers. With these processes in place, the Commission can have some confidence that Consumer Cellular will be able to readily incorporate the Lifeline de-enrollment, re-certification, and record-keeping requirements into its existing customer care processes.

These same advanced information systems will allow CCI to provide accurate and comprehensive reimbursement requests to USAC based on the "actual" number of customers it has served in a prior month. Moreover, because Consumer Cellular has no

existing Lifeline customers, it will not have to make any adjustments to move from “projected” to “actual” reimbursement.

Consumer Cellular also will comply with the FCC’s new marketing rules for Lifeline services. Consumer Cellular will include the required Lifeline program information in its advertisements for Lifeline service.

Finally, Consumer Cellular will explain in this Revised Compliance Plan that it is technically and financially capable to provide Lifeline service. Based on its knowledge of its own customers and corroborative demographic data, CCI believes that a small but significant portion of its existing customer base is already eligible to receive a Lifeline discount. Thus, Consumer Cellular believes that it is already satisfying the financial and technical burdens of providing service to customers who are deserving of the Lifeline program discount.

Consumer Cellular believes that it has provided sufficiently detailed information that will allow the FCC to approve this Revised Compliance Plan, and its Amended Petition for Limited ETC Designation, so that CCI’s qualifying eligible customers can receive the Lifeline discount.

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CONSUMER CELLULAR REVISED COMPLIANCE PLAN

I. INTRODUCTION

Consumer Cellular, Inc. (“CCI” or “Consumer Cellular”), by its undersigned counsel, hereby submits this plan to comply with the new legal obligations imposed on telecommunications carriers by the Federal Communications Commission (“FCC” or the “Commission”) in its Order reforming and modernizing the Lifeline and Link Up programs of the Universal Service Fund (“USF”).¹ In its *Lifeline Reform Order*, the Commission granted “blanket forbearance” from Section 214(e)(1)(A) of the

¹ *In the Matter of Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training, Report and Order and Further Notice of Proposed Rulemaking*, Docket Nos. 96-45, 03-109, 11-42, and 12-23, January 31, 2012 [rel. February 6, 2012]. (“*Lifeline Reform Order*” or “*Order*”).

Communications Act of 1934, as amended (the “Act”), to all telecommunications carriers seeking limited ETC designation to offer Lifeline services.²

While the Commission had previously granted the Consumer Cellular Petition for Forbearance from the requirements of Section 214(e)(1)(A) of the Communications Act of 1934, as amended (the “Act”), and the Commission’s associated rules³, Consumer Cellular must still receive approval of its Revised Compliance Plan before its, contemporaneously-filed Amended Petition for Limited ETC Designation for the States of Alabama, Delaware, Connecticut, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia⁴ can be granted and Consumer Cellular can begin offering Lifeline service.⁵

In its *original ETC Petition*, Consumer Cellular explained that it was a mobile virtual network operator (“MVNO”) who met the Commission’s standards for obtaining statutory forbearance from the facilities-based requirements of the Communications Act

² See, *Lifeline Reform Order*, ¶¶ 368-391.

³ See *Telecommunications Carriers Eligible for Universal Service Support; Federal State Joint Board on Universal Service, Petitions for Forbearance of Head Start, Consumer Cellular, Midwestern Telecommunications, and Line Up, LLC*, Order, FCC 10-134, 25 *FCC Rcd.* 10510 (rel. July 30, 2010) (“*CCI Forbearance Order*”).

⁴ See, *Telecommunications Carriers Eligible for Universal Service Support*; Amended Petition of Consumer Cellular Inc. for Limited ETC Designation, (filed April 2, 2012), amending Petition of Consumer Cellular, Inc. for Limited ETC Designation for the States of Connecticut, New York, North Carolina, Tennessee, and the Commonwealth of Virginia (filed December 30, 2009), *as amended by* Amendment to Petition of Consumer Cellular, Inc. for Limited ETC Designation filed December 29, 2009, Adding Florida as a State for which ETC Designation Is Sought, WC Docket No. 09-197, (filed June 28, 2011) (together, “*original ETC Petition*”).

⁵ See, *Lifeline Reform Order* at ¶ 368, n.983 (requiring all carriers with pending compliance plans to revise these plans to conform to the Commission’s new requirements).

of 1934 (and the Commission's associated rules), and that it could satisfy the prevailing obligations of a Lifeline-only ETC. While the Commission has granted Consumer Cellular's Forbearance Petition, the Commission has yet to act on CCI's *original ETC Petition*, because the Commission has yet to approve its Compliance Plan.

As explained below, Consumer Cellular will fully comply with the conditions imposed in the *Lifeline Reform Order* to ensure that the Commission's concerns regarding consumer safety and the fiscal integrity of the Universal Service Fund ("the Fund") are completely satisfied. Accordingly, it is the sincere desire of Consumer Cellular that the Commission act expeditiously to approve its Revised Compliance Plan, and for the Commission to simultaneously grant CCI's Amended Petition for ETC Designation, filed concurrently with this Revised Compliance Plan. By taking these actions, the FCC can increase the benefits of competition that the Commission has made possible through its more inclusive policies regarding Lifeline participation by mobile virtual network operators ("MVNOs").⁶

II. CONSUMER CELLULAR BACKGROUND/CORPORATE STRUCTURE

Based in Portland, Oregon, Consumer Cellular has been continuously operated by its founders since its inception in 1995. Consumer Cellular is a corporation, incorporated under the laws of Oregon. It has no holding company, and no affiliate companies.

CCI serves more than 750,000 customers using the AT&T Mobility network. The company has been recognized for its unique efforts to serve America's seniors and is the exclusive wireless service provider for AARP members. Consumer Cellular provides "no

⁶ See, e.g., *CCI Forbearance Order* at ¶ 19, n.44 (describing the increase in value offered by Virgin Mobile to Lifeline-eligible customers in only one year since being granted forbearance and ETC designation).

contract” service on a postpaid basis, which is virtually unheard of in today’s wireless marketplace. Customers must have an acceptable credit score, as determined by CCI, or have a valid credit or debit card in order to sign up for service. Although customers are not required to sign a service contract, they are billed based on their plan and prior month’s usage. As a postpaid service provider, Consumer Cellular must maintain direct contact with each of its customers in order to render a bill.

Each customer also has their own account which they can access at any time to check usage and billing, either online or over the phone. Moreover, CCI customers are allowed to change their monthly plan at no cost at any time prior to close of the monthly billing cycle. In April, 2010 Consumer Cellular became one of the first mobile providers to send its customers usage alerts when they are close to exceeding their allotted airtime. In the January, 2011 edition of *Consumer Reports*, Consumer Cellular was recognized as the number one provider of “no contract” mobile service. In the January, 2012 edition of the same publication, Consumer Cellular was recognized as the *number one overall* provider of mobile wireless service (measured by consumer satisfaction) in the United States.

According to a new Census Bureau measure of poverty, released last November, one in six Americans 65 or older now live in conditions of economic deprivation.⁷ In order to provide assistance to this growing number of low-income senior households, Consumer Cellular began taking the steps necessary to provide Lifeline service to its

⁷ Supplemental Poverty Measure: 2010, U.S. Census Bureau, November 2011. Available at: http://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short_ResearchSPM2010.pdf

customers in June, 2009 by filing a Petition for Forbearance from the facilities requirement of Section 214(e)(1)(A) of the Act. Consumer Cellular now hopes to conclude this nearly 3-year journey through the filing of this Revised Compliance Plan.

III. OBLIGATIONS IMPOSED ON ETCs BY THE *LIFELINE REFORM ORDER*

In order to qualify for state and federal Lifeline-only ETC designations and gain the ability to offer discounted service to low-income households, Consumer Cellular must obtain approval of its Compliance Plan.⁸

In its *Lifeline Reform Order*, the Commission explains that carriers seeking Lifeline-only ETC designation must, as part of their Compliance Plans, describe how they intend to implement certain conditions specified in the *Order*, as well as explain how the carrier generally plans to comply with the new rules. The conditions (both broadly and specifically) established by the Commission tend to focus on ensuring that consumers are protected, and that carriers will do their best to ensure that they (and their customers) cooperate fully in assisting with prudent, efficient administration of the Low Income Fund by the Universal Service Administrative Company.

In paragraphs 368 through 391, the FCC sets forth the conditions that carriers must satisfy in order to receive approval of their Compliance Plans, and to be granted Lifeline-only ETC designation by the states or the Commission. The conditions established by the Commission range from the very specific, such as requiring carriers to provide all customers receiving Lifeline-supported service with access to 911 and E911 service (regardless of activation status or available minutes) as well as E911-compliant

⁸ *Lifeline Reform Order*, at ¶380.

handsets⁹, to the very general (requiring compliance plans to describe “the measures the carrier will take to implement the obligations contained in this *Order*”).¹⁰

The large majority of changes imposed by the *Order* involve the methods ETCs must now use to minimize waste, fraud and abuse in the Lifeline program. Specifically, the changes govern the procedures ETCs will use to: (1) initially qualify and enroll customers in Lifeline-supported services and prevent duplicate Lifeline subsidies from going to the same households, (2) annually re-certify customers continuing eligibility for Lifeline-supported services, (3) de-enroll customers who no longer meet the eligibility requirements, (4) maintain records that enable efficient audits and satisfy the reporting requirements to USAC, (5) submit and collect reimbursements from USAC, (6) create the appropriate marketing materials for Lifeline offerings, and (7) show the financial and technical capability to provide Lifeline-supported services.¹¹

In this Compliance Plan, Consumer Cellular will describe in detail how it plans to comply with the rule changes made in the *Lifeline Reform Order*. Specifically, Consumer Cellular will explain how it intends to fulfill the Commission’s 911/E911 service requirements,¹² provide a description of its Lifeline-supported service offerings¹³,

⁹ See, e.g., *Lifeline Reform Order*, ¶ 373.

¹⁰ *Lifeline Reform Order* at ¶ 379.

¹¹ *Id.* at ¶¶ 379, 383, and 390.

¹² *Id.* at ¶ 373.

¹³ *Lifeline Reform Order* at ¶ 368.

and outline the measures it will take to implement the more significant changes in the Order.¹⁴

A. Customers of Consumer Cellular Lifeline-Supported Services Will Have Access to 911/E911 Service and Will Receive E911 Compatible Handsets

In its *Lifeline Reform Order*, the Commission (as it has in all of its previous forbearance grants) requires carriers seeking “blanket forbearance” to provide 911 and (where available) E911 service to customers regardless of the activation status of their service plans as a condition of the forbearance grant.¹⁵ Thus, regardless of whether the customer has any remaining minutes on their monthly service plan, the customer must be able to use emergency services. Consumer Cellular supports the Commission’s reasoning in establishing this condition and is aware the requirement is a current obligation the Commission imposes on all wireless providers.¹⁶ The company understands that wireless service can be a critical means of communication in an emergency and already is in full compliance with this obligation.

Another public safety-related condition, routinely required by the Commission, is for carriers receiving forbearance to ensure that all Lifeline-only customers have access to E911-capable handsets.¹⁷ Consumer Cellular currently complies with this condition for non-Lifeline customers and will, accordingly, offer all Lifeline customers E911-compliant handsets as well.

¹⁴ *Lifeline Reform Order* at ¶368.

¹⁵ *Id.* at ¶373.

¹⁶ See, generally, 47 C.F.R. § 20.18.

¹⁷ *Lifeline Reform Order* at ¶373.

Finally, the Commission requires Lifeline-supported carriers to comply with both 911/E911-related conditions as of the effective date of the *Order*. Consumer Cellular is currently in compliance with both conditions and will continue to be in compliance when the *Order* becomes effective on April 2, 2012.

B. Description of Consumer Cellular Lifeline Service Offerings

The Commission requires every carrier seeking blanket forbearance to submit a Compliance Plan containing detailed information regarding its Lifeline-supported service offerings.¹⁸ With the exception of its *Anywhere Casual* voice plan (\$10 per month, \$0.25 per minute), Consumer Cellular will make available to all Lifeline customers its complete selection of low-cost voice, data and text plans under the same terms as the carrier's non-Lifeline customers. This means Lifeline customers must have a satisfactory credit score, as determined by Consumer Cellular, or a valid credit or debit card to sign up for CCI service, including Lifeline-supported service. Appendix A contains a complete list of current Consumer Cellular service offerings and wireless equipment.

Lifeline customers also will have access to the company's entire selection of wireless handsets and accessories at the same retail price offered to non-Lifeline customers. In addition, Consumer Cellular will charge Lifeline customers \$35.00 to activate a new handset, the same amount assessed non-Lifeline customers. Lifeline customers, like all CCI subscribers, will be able make 611 calls to the company's customer service department free of charge. Finally, Lifeline customers will pay the

¹⁸ *Lifeline Reform Order*. at ¶368.

same retail price for 411 directory assistance, \$1.50 per call plus applicable airtime, as non-Lifeline customers.

In summary, Consumer Cellular Lifeline customers will be able to enjoy virtually all aspects of the carrier's value-based voice, data and text plans to the same degree as its non-Lifeline customers. They also will have the same freedom to purchase handsets and accessories, and have the same access to CCI's excellent customer service, as all other subscribers. The one significant difference is that Lifeline customers will receive a \$10.00 discount each month on their Consumer Cellular bill, which reflects the new \$9.25 Lifeline monthly reimbursement amount rounded up to the nearest dollar.

C. Consumer Cellular Plan To Implement New Lifeline ETC Obligations

In order to satisfy the Commission's conditions for obtaining "blanket forbearance" (or previously-granted forbearance), a carrier must describe, in its Compliance Plan, how it will comply with the remainder of the new obligations imposed on Lifeline participants in the *Order*. In this section, Consumer Cellular will explain how it plans to meet these new obligations and incorporate them into its existing operations. Consumer Cellular also will demonstrate that it is technically and financially capable of providing Lifeline service to consumers.

1. Enrollment

In its *Order*, the FCC integrated and standardized the eligibility and certification criteria through the establishment of what may be called a uniform application process. ETCs must request, and each new prospective customer must provide, certain

information and eligibility certifications as part of an overall application to receive benefits under the Lifeline program.

In addition, new ETCs must obtain consent from subscribers seeking Lifeline assistance to transmit the subscriber's contact information (*i.e.*, name, address and last 4 digits of social security number) to USAC. Prior to obtaining consent, carriers must explain to subscribers, in clear, easy-to-understand language that, among other conditions, they must agree to have their contact information sent to USAC in order to qualify for Lifeline service.¹⁹

As part of the Lifeline application process, each prospective customer must provide the following information as required in revised rule 47 C.F.R. § 54.410(d)(2): full name, residential address, whether the residential address is permanent or temporary, billing address (if different from the residential address), date of birth, last four digits of the social security number (or the tribal identification number in lieu of a social security number), and whether the subscriber is seeking to demonstrate Lifeline eligibility under the program-based or income criteria.

The application process also requires prospective Lifeline customers (pursuant to revised rule 47 C.F.R. § 410(d)(3)) to certify, under penalty of perjury, they (1) meet the income-based or program-based eligibility criteria for receiving Lifeline service, as explained in § 54.409, (2) will notify the carrier within 30 days if for any reason they no longer satisfy the eligibility criteria or the “one subsidy per household” condition, (3) live on federally-recognized Tribal Lands if they are seeking to qualify for Lifeline as an

¹⁹ See 47 C.F.R. § 54.404(b)(9).

eligible resident of Tribal lands, (4) will notify the carrier of an address change within 30 days of moving, (5) will verify their correct address every 90 days or face de-enrollment in the event they provided a temporary address at sign-up, (6) will receive only one Lifeline service at their household and, to the best of their knowledge, their household is not already receiving a Lifeline-supported service, (7) attest that information on their application is true and accurate to the best of their knowledge, (8) understand that providing false information to obtain Lifeline benefits is punishable by law, and (9) acknowledge they may be required to re-certify their continued eligibility for Lifeline service at any time and failure to re-certify will result in de-enrollment and termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Consumer Cellular Enrollment Process

In the *Order*, the Commission called for the creation of “eligibility databases” to streamline the Lifeline enrollment process and help minimize waste, fraud and abuse. Initially, these databases will compile information on persons nationwide who participate in the three most common assistance programs through which consumers qualify for Lifeline service: Medicaid, the Supplemental Nutrition Assistance Program (SNAP) and the Supplemental Security Income program (SSI). The Commission instructed the Wireline Competition Bureau and USAC to “take all necessary steps” to have these databases operational by the end of 2013.

Furthermore, the Commission called for the creation of the “National Lifeline Accountability Database,” which will compile data on all individuals nationwide who are receiving a Lifeline-supported service, or who have received such service in the past.

The purpose of this database is to help minimize waste, fraud and abuse by drastically reducing the number of households that receive duplicate Lifeline-supported services.

The Commission set a target date of a year from the day the *Order* was released (February 6, 2012) for the database to be operational.

Once these databases are up and running, the methods used by Consumer Cellular (and other ETCs) to qualify individuals for Lifeline service will change substantially. In the meantime, however, the methods CCI will use to enroll customers in the Lifeline program depend to a large extent on the state in which potential customers reside. Today, states can be grouped into two general categories: (1) those that require ETCs to determine Lifeline eligibility and (2) those that have assumed the responsibility for determining Lifeline eligibility. The following explains how CCI will qualify and enroll individuals for Lifeline service depending on which of the two categories a consumer's home state falls.

States that Require ETCs to Determine Lifeline Eligibility

Online Application and Enrollment – Current CCI Customers

Current CCI customers who opt to apply and enroll online for Lifeline service will login to their account and follow the directions to reach the Lifeline “home page.” The home page will explain to the customer that the service to be provided is a “Lifeline” supported service, and a federal government assistance program, for which participants’ eligibility must be verified and inform prospective subscribers that the service is non-transferable and only available on the basis of one account per “household”. Individuals will be guided through successive screens which explain all relevant legal details

concerning eligibility and will request the customer's consent to disclose their contact information to USAC. In addition, the Lifeline home page will show the states in which Consumer Cellular currently offers Lifeline service, links to the eligibility criteria for each of these states (in the event a state has different qualifying programs in addition to criteria established by the Commission in the *Order*), and instructions for accessing the electronic Lifeline application form.

Once the customer gives consent to transmit his/her contact information to the USAC Administrator, CCI automated systems will query the National Lifeline Accountability Database ("Database")²⁰ to determine whether a Lifeline-supported service is already being provided at the customer's address. If the query comes up with an address match, or CCI's internal systems have found that another CCI customer at the same address is receiving Lifeline service, the website will explain that the customer's application will be denied unless they can certify, under penalty of perjury, that no one else in the applicant's "household"²¹ is receiving a Lifeline-supported service.

Consumer Cellular will also offer the customer access, either on its website or through links on its website, to the worksheet and other materials prepared by USAC to assist consumers in making this certification.²² If the customer is able and willing to make this certification, the customer will be routed to another screen to execute the

²⁰ See *Lifeline Reform Order*, Appendix A, at §54.404(d).

²¹ *Id.* at ¶¶ 69-84, and Appendix A §54.400(h) (The Commission defines "household" as "any individual or group of individuals who are living together at the same address as one economic unit." In turn, an "economic unit" consists of adult individuals that share in the income and expenses of the household.)

²² See, *Lifeline Reform Order* at ¶¶78-79.

required electronic certification form. If the customer is unwilling, or unable, to make the required certification, the application process will not go beyond this point.

In the event the database queries do not discover that an existing Lifeline service is being provided to the customer's address, or an existing service is discovered at the customer's address but the customer certifies it is being provided to a different "household", the customer will be directed to the Lifeline application form (see Appendix B for a copy of the form). The form will already contain the customer's contact information, date of birth, and last four digits of his/her social security number that were obtained from the customer's existing CCI account.²³ The form will then require customers to provide the additional information necessary for Consumer Cellular to determine their Lifeline eligibility. This includes an indication of whether the address furnished on the application form is permanent or temporary and the criteria that would qualify them for Lifeline-supported service in their home state. The qualifying criteria include participation in certain income-based government assistance programs and/or household income at or below 135 percent of the federal poverty guidelines (the application form also will include space for customers who are attempting to qualify based on income to indicate the number of people in their household since the poverty guidelines change depending on household size). Customers will be informed that if they

²³ Like all postpaid carriers, Consumer Cellular creates a distinct account for each customer that they may access at any time by entering their mobile number and password. This feature easily enables customers to monitor usage and check their account status. It also is an important aspect of CCI's practice and belief in maintaining a direct relationship with its customers by allowing the company to identify (uniquely) each account. While Consumer Cellular believes this simply is a safe, fair, and convenient way for customers to electronically communicate with the company, it also complies with the Commission's new rule, allowing the use of electronic signatures, consistent with the Electronic Signatures Act. See, *e.g.*, 15 U.S.C. § 7001, *et seq.*, and new rule §54.419.

are applying based on participation in a qualifying assistance program, and CCI cannot receive verification of such participation directly from their home state, or they are applying based on household income, they must furnish proof of participation in a qualifying program (such as an enrollment letter containing the customer's name and address) or evidence they meet the income criteria (such as a recent tax return) in order to be eligible for Lifeline service.

The application form also will ask customers to certify, under penalty of perjury, (1) they are aware Lifeline is a federal assistance program, (2) they are eligible for Lifeline service because they participate in a qualifying program and/or their income meets the qualifying criteria, (3) they will not transfer any Lifeline benefits to third parties, and (4) they are a member of a household that does not (to the customer's best knowledge) receive any other Lifeline-supported services.

Throughout the application process, customers will be advised that all information provided must be true or risk penalty for perjury. Such penalties will be prominently displayed for applicants to see. Upon completion, the application will require customers to electronically sign the document and, in so doing, attest to the veracity of the information which they are providing. At that point, the entire completed application will be shown for customers to examine. When customers are satisfied the application is in order, they can electronically transmit it to Consumer Cellular.

Upon receipt of the application CCI's automated systems will determine the customer's eligibility for Lifeline service by scanning the applicant's sworn eligibility qualifications to determine whether they meet the requirements for the person's home

state. In the event they do meet the requirements and the customer is applying based on participation in a qualified assistance program, and furthermore the customer resides in a state which maintains a database (or databases) of all individuals who participate in one or more of the qualified assistance programs, CCI will query the database(s) to determine if the customer is listed. If CCI is able to confirm eligibility, the customer will be passed on to the next step in the process (with CCI recording the time at which eligibility was confirmed, and the basis on which eligibility was established). If CCI cannot determine eligibility by querying a state database, or the customer's home state does not maintain a database, or the customer is applying for Lifeline service based on income criteria (and the state database does not perform income qualifications), the customer will be notified they must furnish documentation to prove eligibility.

Customers can supply the necessary proof of participation and/or income eligibility either electronically (by scanning the documents and attaching them to the online application form), by fax, or by mail. In the event one of the latter two methods is used, customers will be instructed to include their name, address, last 4 digits of their social security number, and their CCI mobile phone number with the documentation. This will enable CCI to match the documentation to the customer's online application form quickly and easily. Customers will be informed that until Consumer Cellular receives the relevant verification documentation, their application will be "pending" but cannot be completed.

Once CCI receives the documentation and matches it to the application form, the complete file will be reviewed manually by Consumer Cellular employees specially trained to carry out this task. In cases where applications are approved, customers will

receive notification of the approval and the start-date for the \$10.00 Lifeline discount. In cases where the application is denied, customers will receive notification of the denial, including the reasons for the decision, and a toll-free number they may call to discuss their case with a Consumer Cellular representative.

Online Application and Enrollment – New CCI Customers

Potentially new CCI customers who wish to apply and enroll online for Lifeline service must first go through the standard sign up process for regular CCI service. This is a simple process in which individuals are informed at the outset they must have approved credit and/or a valid credit or debit card to qualify for CCI service. They are then asked to provide their name, address, telephone number, date of birth and last four digits of their social security number. Finally, they are taken through the steps required to select a CCI rate plan and handset (if necessary).

At this point, new customers will be able to indicate whether they wish to apply for CCI Lifeline service. They will then be taken through the same certification and enrollment process as current CCI customers. If a prospective customer does not qualify for Lifeline service, they still will be given the chance to sign up for regular CCI service. Secondly, whether or not the prospective customer qualifies for Lifeline service, he/she must still have satisfactory credit as determined by CCI, or must supply a valid credit or debit card in order to initiate either Lifeline or regular service with CCI.

Telephone Enrollment

Individuals who wish to apply for CCI Lifeline service by telephone will be given a dedicated toll-free number to call that will connect them to a live Consumer Cellular

customer service agent. For current CCI customers, the agent will collect the required information, and documentation when necessary, to determine their eligibility for Lifeline service. The agent will then explain to the applicant that all information must be true or risk penalty of perjury. The penalties will be explained as well. The applicant will then be asked to verbally certify that all information is true. The verbal certification will be recorded and saved for future reference. The Lifeline discount will be applied to the customer's account when eligibility verification is confirmed (either through a database query, or upon CCI review of eligibility documentation).

For new customers, the agent will explain that in order to sign up for CCI Lifeline service they must first qualify for regular CCI service, which requires approved credit and/or a valid credit or debit card. Agents will inform new customers seeking Lifeline-only service that they will not incur any fees unless, or until, they have successfully completed the Lifeline portion of the application process. The agent will then take them through the process of selecting a CCI rate plan and handset. Once this is finished, the agent will start the Lifeline certification and enrollment process. As with current CCI customers, the process will be performed in essentially the same manner as it is carried out with online applications.

States that Determine Lifeline Eligibility

Potential customers who contact CCI – either online or by phone – to initiate service and receive the Lifeline discount, and who live in states that determine Lifeline eligibility, will be asked to provide the necessary information to open a new CCI account: name, address, telephone number, and the last four digits of their social security number.

Customers with approved credit or a valid credit/debit card will then be given the option to either activate service or place the account on “pending” status while their Lifeline application is processed by the state’s Lifeline administrator. Depending on the procedures the specific state follows to qualify persons for Lifeline service, CCI will (1) forward the individual’s contact information to the Lifeline administrator, who will send the individual the state’s Lifeline application form, or (2) provide the contact information for the Lifeline administrator (website link and/or telephone number) to the individual who will be responsible for initiating the eligibility process.

Once CCI receives notification from the Lifeline administrator that the Lifeline application is approved, CCI will notify the customer and indicate in the customer’s account that the customer has been approved for Lifeline service by the state’s Lifeline administrator. CCI will then begin applying the \$10.00 Lifeline discount to the individual’s monthly invoice (in the case of active accounts) or activate service for accounts in pending status and apply the \$10.00 Lifeline discount from the outset. If the application is rejected, individuals who have initiated service will have the option to terminate service immediately (since there are no long-term contracts) or continue service at the same retail price paid by non-Lifeline customers. Individuals who have chosen to put their accounts in pending status also will have the option to activate service at CCI’s regular retail rates or cancel the account.

For existing CCI customers who wish to qualify for Lifeline service, the process will be very much the same as it will be for new customers who wish to activate service while their Lifeline application is being considered by the state administrator. Once the application is approved, CCI will begin applying the \$10.00 Lifeline discount to the

customer's monthly bill. If the application is rejected, a customer will have the option to terminate service immediately or continue as they have at standard CCI retail rates.

2. Annual Re-Certification of Customer Eligibility

The Consumer Cellular internal database will have a record of every Lifeline customer it is currently serving or has served in the past. The record will include the means by which the customer was initially qualified for service. For the purpose of re-certification, customers will be divided into three groups: those who were qualified by a state administrator, those who were qualified by CCI querying a state database, and those who were qualified by submitting documentation to CCI verifying they participated in a qualified assistance program or their household income met the necessary criteria.

For those customers whose eligibility was determined by a state administrator, CCI will contact the administrator at least 30 days prior to a customer's anniversary date to determine if the customer is still qualified for Lifeline service. For those customers whose eligibility was verified by CCI querying a state database, CCI will again query the database at least 30 days prior to a customer's anniversary date to determine if the customer is still listed as participating in a qualified assistance program. For those customers who initially qualified for Lifeline service by submitting the necessary documentation, CCI will first ascertain whether a customer's home state has an electronic database it could query to determine current eligibility. If a database exists, CCI will query it, at least 30 days prior to a customer's anniversary date, to see if a customer is listed.

In all instances where Consumer Cellular is unable to re-certify a customer's continued eligibility for Lifeline service through the methods described above, or in the event CCI discovers that at least one additional person is receiving Lifeline service at the same address as the customer due for re-certification, the company will notify the customer – in writing, by phone, by text message and e-mail (if the e-mail address is on file) – at least 30 days prior to a customer's service anniversary date, that they must complete the Lifeline re-certification form (See Appendix B for a copy of the form). By doing so, the customer will attest to their continued Lifeline eligibility by confirming, under penalty of perjury, that the customer still meets the applicable eligibility requirements, still lives at the same address, and is not receiving Lifeline subsidies from any other carrier. The customer can complete and submit the annual re-certification form on the carrier's website, via a toll-free telephone number that will connect them to the carrier's automated re-certification system, or by regular mail.

Customers who fail to verify their ongoing eligibility for Lifeline service within 30 days of receipt of their final verification notice will be notified (1) that their Lifeline service is about to be terminated and (2) they have the option to transfer their account to a Consumer Cellular non-Lifeline rate plan, provided they still satisfy CCI's standard credit approval process. This will give the customer the opportunity to avoid a service disruption. Customers who do not complete the annual verification procedures within 30 days of receiving notice of impending de-enrollment, will be removed from the list of Lifeline customers for purposes of sending reimbursement remittances to USAC.

Furthermore, the name, address, date of birth, phone number and social security number of all Lifeline customers as well as the method by which each customer qualified

for Lifeline service, both initially and, if applicable, on subsequent anniversary dates (e.g., identity of government assistance program and/or required household income limit) will be contained in a secure database. This will enable Consumer Cellular, as required, to “monitor compliance of their customers’ self-certifications by retaining those self-certifications and providing them, as well as documentation of how [Consumer Cellular] obtained the certification, to the Commission on request.”²⁴

Finally, as the new rules require, Consumer Cellular will report the results of its annual re-certification efforts to the Commission and the Administrator. In those states where CCI has been granted state ETC designation, it will report the results of its annual re-certification efforts to the proper state regulators.²⁵

3. De-Enrollment

In the *Order*, the FCC adopted rules to help ensure that only customers eligible to participate in the Lifeline program receive the benefit of the Lifeline subsidy. These rules now require Consumer Cellular and all other ETCs to “de-enroll” customers who no longer are eligible to receive Lifeline benefits from an ETC’s list of customers for whom Lifeline reimbursement is sought from USAC.²⁶

Specifically, the Commission’s new rules require an ETC to “de-enroll” customers from Lifeline enrollment if any of the following conditions exist: (1) the carrier has reason to believe that a customer no longer participates in a Lifeline-eligible

²⁴ *Order*, ¶17.

²⁵ 47 C.F.R. § 54.416(b).

²⁶ See, *Id.* at §54.405(e)(1)-(4).

program, or no longer meets the income-based criteria for Lifeline eligibility, and the customer fails to prove eligibility within 30 days²⁷; (2) the Fund Administrator notifies the ETC that either a customer is receiving Lifeline support from more than one carrier, or that more than one person in the customer's household is receiving a Lifeline subsidy²⁸, (3) the ETC is unable to determine, on a customer's anniversary date, the customer's continued Lifeline eligibility by contacting a state administrator or by querying a state database and the customer has failed to self-certify his or her continued eligibility based on participation in a qualified program or income criteria, or failed to re-certify he or she is in compliance with the one-per-household rule, or (4) a customer has failed to re-certify a temporary address provided upon initial enrollment within the 90-day window (or failed to provide CCI with a permanent address within the same time period).²⁹

Consumer Cellular does not anticipate offering any Lifeline services which do not require it to assess or collect a monthly fee, and therefore has not implemented any procedures to monitor a customer's non-usage for 60 consecutive days.³⁰ Customers who become more than 30 days past due, and after first receiving numerous alerts that their account is in arrears, will be notified that their account has been suspended, pending receipt of payment. Customers that are not "active" for non-payment will be removed from Consumer Cellular's list of Lifeline customers as of the date of service suspension,

²⁷ 47 C.F.R. § 54.405(e)(1).

²⁸ *Id.* at § 54.405(e)(2).

²⁹ *Id.* at § 54.405(e)(4).

³⁰ *Id.* at § 54.405(e)(3)

and no subsequent requests for reimbursement will be sent for the period the customer was not receiving service (should the customer cure their suspension of service before service is disconnected).

With the exception of the situation where Consumer Cellular is notified by the Administrator that a customer(s) household is receiving duplicate support, each basis for de-enrollment requires CCI to notify the customer that their Lifeline support is in jeopardy and provide the customer with 30 days to either refute or cure their apparent ineligibility to receive continued support.³¹

When Consumer Cellular is notified that it is receiving duplicative support for a customer that has been confirmed to be ineligible by the Administrator, the company has 5 days to remove the ineligible Lifeline recipient from its reimbursement list. These customers not only present a risk to the Fund, but they present a financial risk to Consumer Cellular if the ineligible customers are allowed to continue to use its service with the Lifeline discount and thereby raise the company's unrecoverable costs.

While Consumer Cellular will have a range of procedures to minimize, if not completely eliminate, the number of ineligible customers who are re-certified for Lifeline service, it also important that it has procedures in place to help ensure that qualified customers are not wrongfully denied re-certification. Thus, beginning 120 days from a customer's anniversary date, and continuing for the next three months leading up to the 30-day window in which a customer must be re-certified, all CCI Lifeline subscribers will receive through multiple channels a series of reminders that their Lifeline eligibility

³¹ See, 47 C.F.R. § 54.405(g).

must be re-certified each year. The reminders will further explain that in the event CCI is not able to determine a customer's continued eligibility, there are several convenient ways for customers to self-certify their ongoing eligibility. The reminders will summarize each method.

4. Recordkeeping Requirements

Section 54.417 of the new rules requires all ETCs to “maintain records to document compliance with all Commission and state requirements governing the Lifeline and Linkup program for the three full preceding calendar years and to provide that documentation to the Commission or Administrator upon request.” The same section also requires ETCs to “maintain the documentation required in §§54.410(d) (initial eligibility certification) and 54.410(f) (eligibility re-certification) for as long as the subscriber receives Lifeline service from that ETC.”

In order to comply with the new record keeping obligations, Consumer Cellular will maintain comprehensive records on company procedures to comply with Commission and state rules governing ETC participation in the Lifeline program for a minimum of three full preceding calendar years. CCI also will keep a detailed record of each individual Lifeline account for the entire length of time the customer remains in the Lifeline program and for a minimum of three years after the customer leaves the program. A complete description of the specific information CCI will collect and store for each record type (company and individual account) is contained in Appendix C.

5. Reimbursement from USAC

In the *Lifeline Reform Order*, the FCC changed the monthly Lifeline reimbursement method from one based on projected subscriber counts to one based on actual subscriber counts. The Commission directed USAC to begin the transition to the new reimbursement method on July 1, 2012 and complete the process by October, 2012. The Commission also implemented a transition procedure for current ETCs to minimize the financial impact of moving to the new reimbursement method. Since Consumer Cellular will be a new Lifeline provider, and most likely will not begin offering Lifeline service until the new reimbursement method is in place, it will not have to make any adjustments to comply with the revised process.

6. Marketing Materials

In its *Lifeline Reform Order*, the FCC imposed certain marketing obligations on ETCs offering Lifeline service. First, such ETCs must “publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for service.” Secondly, ETCs must clearly disclose in all materials “that describe the Lifeline-supported service offering”³² (1) that the offering is a Lifeline-supported service, (2) Lifeline is a government assistance program, (3) the benefit is non-transferable, (4) that only eligible consumers may enroll in the program, and (5) that the program is limited to one benefit per household, consisting of either wireline or wireless service.³³

³² *Order*, ¶ 275.

³³ 47 C.F.R. § 54.405(c).

Consumer Cellular will publicize the availability of its Lifeline-supported service in a manner reasonably designed to reach those that qualify for the service.³⁴ The company has nearly 16 years of experience marketing its services to target audiences and, with few exceptions, these efforts have met with considerable success. Consumer Cellular anticipates its Lifeline promotional initiatives will meet with similar results. CCI will include all required information in its Lifeline marketing materials, including web, print, radio, and television advertising.

7. Financial and Technical Capability to Provide Service

In its *Order*, the FCC imposes a new qualification on carriers seeking to become ETCs: demonstrate they are financially and technically capable of providing the supported Lifeline service in compliance with the Commission's rules.³⁵ While this document is intended to demonstrate that Consumer Cellular will be able to comply with the Commission's rule changes for offering Lifeline supported service, and is not—as such—a Petition for ETC Designation, Consumer Cellular will address this new requirement, because it would like the Commission to grant its Amended ETC Petition when it approves this Compliance Plan.

Persuasive evidence that Consumer Cellular is financially and technically capable of providing wireless Lifeline service is the fact it is one of the few post-paid MVNOs to survive and actually prosper in the highly competitive wireless industry. For the past 16 years, the CCI business model has been to focus on the senior market, grow the company

³⁴ 47 C.F.R. § 54.405(b).

³⁵ *Id.* at § 54.201(h), and § 54.202(a)(4).

gradually so as not to place undue stress on its operational capabilities, and avoid incurring debt. Today, the company is fast approaching one million customers, has one of the best customer-service reputations in the industry as illustrated by its #1 *Consumer Reports* ranking, and is debt-free.

Further evidence of its financial and technical capability of providing Lifeline service is its relationship with AARP. In order for a company as relatively small as Consumer Cellular to become the “exclusive wireless provider for AARP members,” all aspects of its finances and operations were scrutinized closely by AARP for nearly two years before the contract was signed in August, 2008. Consumer Cellular continues to provide monthly and annual reports to AARP to ensure it is capable, both today and in the future, of providing the best possible service to the organization’s membership. The program itself has performed extremely well as AARP members have found tremendous value in the company’s straightforward, low-cost rate plans and its exemplary customer service.

Finally, Consumer Cellular has a history of technical innovation. A few examples include the state-of-the-art Consumer Cellular website, which allows new customers to sign up for service quickly and easily and current customers to perform a variety of account management functions. The new CCI Android application, which enables customers to check usage amounts within seconds from their smartphones. The invoices CCI sends to AARP member-subscribers, which display the aggregate amount of savings they have accrued as a result of the program’s special discount. And, as mentioned previously, the innovative automatic usage alerts CCI sends to customers to help them avoid costly overages.

The success of Consumer Cellular is based on its strong financial and technical capabilities. These same capabilities ensure that the company is well-qualified to offer Lifeline service in full compliance with the Commission's rules.

* * *

As required by the *Lifeline Reform Order*, in order to benefit from the Commission's conditional grant of forbearance to Consumer Cellular in 2010, Consumer Cellular has hereby submitted a Compliance Plan that effectively outlines the measures it will take to address each specific concern elaborated by the Commission, and every significant rule change to the Lifeline program addressed in its *Order*. The Commission should find that this Compliance Plan addresses all of its concerns and approve the instant Compliance Plan. Accordingly, the public interest is best served by the Commission's expeditious approval of this Compliance Plan and grant of the company's Amended Petition for ETC Designation. For these reasons, Consumer Cellular respectfully requests that the FCC approve this Compliance Plan and grant its Amended Petition for ETC Designation.

Respectfully submitted,

CONSUMER CELLULAR, INC.



Jonathan D. Lee

JD Lee Consulting, LLC
1776 I Street, NW
Suite 900
Washington, DC 20006
(202) 257-8435

Its Attorney

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APPENDIX I

With the exception of the *Anywhere Casual* plan, Consumer Cellular Lifeline customers will have access to all voice, data and text plans CCI makes available to its non-Lifeline customers. At the end of each monthly billing period, CCI will apply a \$10.00 credit to a Lifeline customer's total monthly service charges. The \$10.00 credit represents the new \$9.25 Lifeline monthly support amount rounded up to the nearest dollar.

A. Consumer Cellular Voice Plans

Plan	Monthly Rate	Included Minutes	Additional Minutes
Anywhere Casual	\$10	0	25☐
Anywhere 100	\$15	100	25☐
Anywhere 300	\$20	300	25☐
Anywhere 700	\$30	700	25☐
Anywhere 1200	\$40	1,200	25☐
Anywhere 1800	\$50	1,800	25☐
Anywhere 2400	\$60	2,400	10☐

B. Consumer Cellular Data & Text Messaging Plans

Plan	Monthly Rate	Included Data	Included Messages
Connect! Lite	\$2.50	10MB	100
Connect! Ready	\$5	50MB	500
Connect! Active	\$10	100MB	1,000
Connect! Complete	\$20	250MB	2,500
Connect! Max	\$30	500MB	5,000

C. Consumer Cellular Handsets

Consumer Cellular Lifeline customers will have access to all handsets and accessories under the same terms and conditions as non-Lifeline customers. Below is the company's current handset lineup.

Handset	Key Features	Retail Price*
Motorola WX345	<ul style="list-style-type: none">• Flip-phone• Long battery life• Camera phone• Bluetooth capable	Free
Doro PhoneEasy (CCI Senior Phone)	<ul style="list-style-type: none">• Flip-phone• Large buttons and display• Bluetooth capable• Emergency SOS button	\$25
Samsung A697	<ul style="list-style-type: none">• Touchscreen• Camera phone• Bluetooth capable• Web enabled	\$40
Nokia C3	<ul style="list-style-type: none">• Full Qwerty keyboard• Camera/camcorder• Bluetooth capable• MP3 player• Web enabled	\$45
LG Thrive	<ul style="list-style-type: none">• Touchscreen• 3G high-speed data• Bluetooth capable• Android operating system	\$90
Motorola Bravo	<ul style="list-style-type: none">• 3.7" touchscreen• Digital camera/camcorder• 3G high speed data• Bluetooth capable• Android operating system	\$140

* Retail prices listed in the chart are in addition to the \$35 activation fee. Consumer Cellular charges all customers when they purchase a handset at sign up or later upgrade to a new handset. For example, the net cost to a customer for a *Doro PhoneEasy* is \$60.00 (\$25.00 retail price plus \$35.00 activation fee). Retail prices are subject to change at any time.

APPENDIX II



Lifeline Certification Form

Important: please read carefully. You must provide all of the information requested in order for your application to be processed. Incomplete applications will not be processed until completed, which will delay service activation.

Consumer Cellular is able to offer discounted wireless service to customers that qualify for the Federal government's Lifeline assistance program. The terms of this program limit Lifeline discounts to only one telephone number per household. Household is defined as one or more related, or unrelated, adults who share in household income and expenses. This benefit is only available to applicant's household, and is not transferable.

By completing this form, the applicant gives Consumer Cellular permission to share relevant information with the federal and state authorities responsible for administering the program. Applicants will be asked to certify the accuracy of this application, and applicants will be asked to supply proof of participation in any qualifying program, or provide proof of income eligibility in the event Consumer Cellular cannot independently verify eligibility.

Personal Information

Name:	_____
Social Security # (last 4 digits):	_____
Full Address (no P.O. Box):	_____
City:	_____
State:	_____
Zip Code:	_____
Is address permanent or temporary?	_____
Mobile Phone (for transfers of service):	_____
Consumer Cellular Customer:	Yes___ No___
Date of Birth:	_____
Billing Address (if different):	_____
City:	_____
State:	_____
Zip:	_____

Eligibility for Consumer Cellular Lifeline Service: Government Assistance Program Participation

Please indicate which of the following programs you receive benefits under. I attest, under penalty of perjury, that I participate in the following government assistance program(s)(check all that apply):

___ Supplemental Nutrition Assistance Program (SNAP)

___ Temporary Assistance for Needy Families

___ Supplemental Security Income (SSI)

___ Low-Income Heat & Energy Assistance (LIHEAP)

___ Medicaid

___ Homestead Act (Public Housing)

___ National School Lunch Program

___ Other (Describe): _____

Instructions for submitting Proof of Eligibility can be found at the end of the application form.

Eligibility for Consumer Cellular Lifeline Service: Household Income

If you don't qualify through participation in a program, service assistance is still available if your household earns less than the annual income guidelines below. I attest, under penalty of perjury, that my household income is at or below 135% of the federal poverty guidelines for the number of persons in my household. _____ (Initial)

Number of persons in household (initial and circle): ___1 ___2 ___3 ___4 ___5
___6 ___7 ___8

Income limit by household size (number of persons):

1 - \$14,702 2 - \$19,858 3 - \$25,016 4 - \$30,173 5 - \$35,330 6 - \$40,487 7 - \$45,644
8 - \$50,801

If you are applying for Consumer Cellular Lifeline Service based on income, you must provide proof that your income meets the eligibility criteria. Such proof can be in the form of prior year's tax return, current income statement from employer (pay stub), Social Security/VA/Tribal benefit statement, or other official document containing income information. Instructions for submitting Proof of Eligibility can be found at the end of the application form.

Consumer Cellular®

Lifeline Applicant Authorization and Certification

Please initial where applicable.

___ My household does not receive a Lifeline service discount for any other wireless or wireline phone number.. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses.

___ I authorize Consumer Cellular to be my cellular phone carrier for my Lifeline service. If I currently receive another wireless or wireline Lifeline discount, I have provided that number to Consumer Cellular and wish to transfer my service to Consumer Cellular Consumer Cellular.

___ I attest under penalty of perjury that the information herein is true and correct to the best of my knowledge. I understand that Lifeline is a federal government benefit program and that intentionally making false statements in order to obtain this benefit can be punished by fine or imprisonment or I may be barred from the program.

___ I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the program, and could result in criminal prosecution by the United States government.

___ I consent to having Consumer Cellular share my contact information (name and address) with the Universal Service Administrative Corporation (USAC) to help verify that I am not in violation, either now or in the future, of the requirement that Lifeline service is available for only one line per household.

___ I understand that I must notify Consumer Cellular and provide my new address within 30 days of moving.

___ I understand that I must notify Consumer Cellular within 30 days if (1) I cease to participate in a federal or state qualifying program or my annual household income exceeds 135 percent of the federal poverty guidelines; (2) I receive more than one Lifeline-supported service; or (3) I for any other reason no longer satisfy the criteria for receiving Lifeline support. I understand that I will be subject to penalties if I fail to follow this notification requirement, including being de-enrolled from the Lifeline program.

___ I understand and acknowledge that Lifeline service is a non-transferable benefit and that I may not transfer my service to any other individual, including another low-income consumer.

___ I acknowledge that I will be required to re-certify my eligibility for Lifeline benefits annually, and I may be required to re-certify my continued eligibility for Lifeline at any time, and that failure to do so will result in the termination of my Lifeline benefits.

Instructions for submitting Proof of Eligibility

Individuals required to submit Proof of Eligibility for the Consumer Cellular Lifeline program may do so (1) by scanning and transmitting the document(s) electronically with the application form, (2) by faxing the document(s) with the application form to 503-XXX-XXXX, or (3) by mailing the document(s) with the application form to: Consumer Cellular, Lifeline Administration, 7204 SW Durham Road, Suite 300, Portland, Oregon 97224.

Signature of Applicant_____ **Date**_____

APPENDIX III

Company Records

Section 54.417 of the new rules requires all ETCs to “maintain records to document compliance with all Commission and state requirements governing the Lifeline and Linkup program for the three full preceding calendar years and to provide that documentation to the Commission or Administrator upon request.” In order to meet its obligations under §54.417, Consumer Cellular will collect and store the following data for a minimum of the three full preceding calendar years and report this information to the requisite authorities if so requested:

1. The number of complaints per 1,000 connections in the prior calendar year.³⁶
2. Certification of compliance with applicable service quality standards and consumer protection rules.³⁷
3. Certification that the carrier is able to function in emergency situations.³⁸
4. Information regarding the terms and conditions of any service plans, and the terms and conditions of any non-Lifeline plans available to the public³⁹.

Individual Account Records

§54.417 of the new rules require all ETCs to “maintain the documentation required in §§54.410(d) (initial eligibility certification) and 54.410(f) (eligibility re-certification) for as long as the subscriber receives Lifeline service from that ETC.” In order to comply with these requirements, CCI will maintain records on all individual

³⁶ 47 C.F.R. § 54.422(b)(2).

³⁷ *Id.* at § 54.422(b)(3).

³⁸ *Id.* at § 54.422(b)(4).

³⁹ *Id.* at § 54.422(b)(5).

Lifeline accounts that will contain the following data (where applicable). The data will be stored for as long as the account is active and for a minimum of three years after the account has been terminated.

1. Date Consumer Cellular queried the duplicates Database.⁴⁰
2. Date and information Consumer Cellular transmitted to Database.⁴¹
3. Date of transmission of updated customer information to Database.⁴²
4. Date of transmission of customer de-enrollment to Database.⁴³
5. Date of customer service activation and method of activation.⁴⁴
6. Certification and re-certification forms for each subscriber.⁴⁵
7. Revenues forgone by providing Lifeline services in the form requested by the Administrator for periodic reporting to the Administrator upon request.⁴⁶
8. Date and database upon which the ETC determined income-based eligibility.⁴⁷
9. Date and documentation/data source used to determine income-based eligibility when no database was available to determine subscriber eligibility.⁴⁸
10. State Lifeline administrator documentation of customer eligibility, and subscriber's certification of eligibility.⁴⁹

⁴⁰ 47 C.F.R. §54.404(b)(1).

⁴¹ *Id.*, §54.404(b)(6).

⁴² *Id.*, §54.404(b)(8).

⁴³ *Id.*, §54.404(b)(10).

⁴⁴ See generally, *Id.*, §54.407(c).

⁴⁵ *Id.*, §54.407(d).

⁴⁶ *Id.*, §54.407(e).

⁴⁷ *Id.*, §54.410(b)(1)(A).

⁴⁸ *Id.*, §54.410(b)(1)(B)(iii).

⁴⁹ 47 C.F.R. §54.410(b)(2).

11. Date, database, and program on which ETC determined subscriber eligibility.⁵⁰
12. Data source used to determine a subscriber's program-based eligibility or the documentation a subscriber provided to demonstrate Lifeline eligibility.⁵¹
13. Notice of program-certification and customer self-certification, when performed by a state agency or state Lifeline administrator.⁵²
14. Prospective subscriber certification, where subscriber acknowledges 1) Lifeline qualifications in terms of one benefit per household and the requirement that a violation of the rules could result in de-enrollment, 2) require each prospective subscriber to provide certain information with which to populate the duplicates database, 3) require each prospective subscriber to certify, under penalty of perjury, that the subscriber meets the income-based, program-based, or Tribal Lands criteria for receiving Lifeline, and the subscriber knows the Lifeline program rules, and will notify the carrier if the subscriber ceases to qualify.⁵³
15. Maintain records re-certifying all subscribers remain Lifeline eligible under a qualifying program or income eligibility, and re-certification by the subscriber that they can confirm their original certification under §54.410(d), except those subscribers that are required to be re-certified by state agencies or administrators,⁵⁴
16. Where a state administrator or agency is responsible for re-certification: 1) maintain re-certification results from the state, 2) maintain the results of each state administrator's certification efforts for each subscriber in that state, and 3) where a state has been unable to re-certify a subscriber, keep the record and comply with the relevant de-enrollment procedures.⁵⁵
17. Maintain a record of each subscriber's re-certification (or failure to re-certify) a temporary address every 90 days.⁵⁶

⁵⁰ *Id.* at §54.410(c)(1)(A).

⁵¹ *Id.* at §54.410(c)(1)(iii).

⁵² *Id.* at §54.410(c)(2).

⁵³ *Id.* at §54.410(d).

⁵⁴ *Id.* at §54.410(f)(1)-(2).

⁵⁵ *Id.* at §54.410(f)(3)-(5).

⁵⁶ 47 C.F.R. §54.410(g).

